

**SUMMARY OF TESTIMONY OF DAVID HAMILTON, DIRECTOR
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TO THE SUBCOMMITTEE ON ENERGY AND AIR QUALITY,
COMMITTEE ON ENERGY AND COMMERCE
U.S. HOUSE OF REPRESENTATIVES REGARDING THE UPCOMING
ENERGY POLICY ACT OF 2005**

February 16, 2005

Major Points –

- This testimony is being given before the Energy Policy Act of 2005 has been introduced. It is based on the H.R. 6 Conference Report from the 108th Congress.
- H.R. 6 was constructed on a faulty rationale – that our most serious energy problems could be solved by simply producing more conventional energy.
- By pursuing that rationale and focusing largely on fulfilling wish-lists of large energy industries, H.R. failed to provide solutions to:
 - oil dependence and its negative effects,
 - global warming,
 - harm to consumers from rising and wildly fluctuating energy prices,
 - industry desires to repeal environmental regulation and attacks on public lands including the Arctic National Wildlife Refuge;
 - the distorted costs of energy due to the failure of markets to incorporate the cost of environmental damage and the accumulated web of subsidies and tax breaks for energy industries.
- The Committee could have used other criteria to more effectively address our energy problems, such as:
 - Least-cost assessment;
 - Effectiveness at actually reducing price and supply volatility;
 - Direct consumer benefit;
 - Preservation of market competition and restriction of Enron-like market power;
 - Higher cost-benefit standard for circumventing environmental regulations;
 - Higher cost-benefit standard for drilling on public lands and in environmentally sensitive areas.

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- H.R. 6 critically underutilized energy efficiency and renewable energy both to increase energy supply and as tools for dynamic economic development.
- Increasing the fuel economy of our light duty vehicle fleet should be our top priority for reducing oil dependence and its negative effects on the environment, the economy, and our national security.
- Energy efficiency programs in the electric and gas sectors can extend supply while creating jobs, reducing global warming pollution, and saving consumers money.
- The House should accept the renewable energy standard passed twice by the Senate, but refused in Conference Committee.
- The sheer number, volume, and scope of the anti-environmental provisions in the bill constitute a major assault on energy-related environmental standards.
- The Sierra Club strongly opposed H.R. 6 and will likely do the same for the Energy Policy Act of 2005.
- Compendium of anti-environmental provisions in H.R. 6.